

### **Remarks**

In view of the above amendments and the following remarks, reconsideration and further examination are requested.

The specification and abstract have been reviewed and revised to make a number of editorial revisions. A substitute specification and abstract have been prepared and are submitted herewith. No new matter has been added. Enclosed is a marked-up copy of the specification and abstract indicating the changes incorporated therein.

In addition, claims 1, 3-6, 8-11, 13-17 and 19 have been amended to make a number of editorial revisions. These revisions have been made to place the claims in better U.S. form. None of these amendments have been made to narrow the scope of protection of the claims, nor to address issues related to patentability and therefore, these amendments should not be construed as limiting the scope of equivalents of the claimed features offered by the Doctrine of Equivalents.

Claims 1-9, 13-15 and 20 have been rejected under 35 U.S.C. §102(e) as being anticipated by Kori (US 6,480,607). Claims 10-12 and 16-19 have been rejected under 35 U.S.C. §103(a) as being unpatentable over Kori in view of Wehrenberg (US 6,523,113). These rejections are respectfully traversed and submitted to be inapplicable to the claims for the following reasons.

Claim 1 is patentable over Kori, since claim 1 recites an encrypted data signal comprising an encrypted copy-controlled data signal, wherein the data signal contains superimposed thereto, as a digital watermark, identification data identifying the data signal as an encrypted signal. Kori fails to disclose or suggest a data signal having superimposed thereto, as a digital watermark, identification data identifying the data signal as an encrypted signal.

Kori discloses a number of different embodiments of an encrypted data reproducing, transmitting, and processing apparatus. In each of the embodiments, copy control information is disclosed as being superimposed on picture data stored on a recording medium by watermark processing. The copy control information is discussed as indicating one of four possible copy states of the picture data to which it is superimposed. The first state is "copy free", which specifies that the picture data recorded on the recording medium can be freely copied. The second state is "one copy", which specifies that the picture data on the recording medium can be copied once. The third state is "no more copy", which specifies that the picture data has been copied from the picture data

previously labeled as “one copy”. The fourth state is “never copy”, which specifies that the picture data cannot be copied. (See column 3, lines 22-35; column 8, lines 38-54; column 10, lines 51-59; and column 12, lines 21-26).

In the rejection, it is indicated that the above-discussed copy control information that is superimposed with the picture data by watermark processing corresponds to the identification data recited in claim 1. However, this conclusion is not accurate. The identification data is recited in claim 1 as identifying the data signal as an encrypted signal and not as identifying one of the four possible copy states as discussed above with regard to the copy control information of Kori. Therefore, it is apparent that the copy control information of Kori does not correspond to the identification data recited in claim 1. As a result, Kori fails to disclose or suggest the present invention as recited in claim 1.

As for Wehrenberg, it is relied upon as disclosing a player 310 that performs CSS authentication. However, Wehrenberg fails to disclose or suggest the above-discussed feature of claim 1.


Further, claim 13 is patentable over the references relied upon in the rejections for similar reasons as set forth above in support of claim 1. That is, claim 13, like claim 1, recites a data signal recording apparatus including, in part, a digital watermark processor for superimposing to a data signal, as a digital watermark, identification data identifying the data signal as an encrypted signal, which feature is not disclosed or suggested in the references.

Because of the above mentioned distinctions, it is believed clear that claims 1-20 are allowable over the references relied upon in the rejections. Furthermore, it is submitted that the distinctions are such that a person having ordinary skill in the art at the time of invention would not have been motivated to make any combination of the references of record in such a manner as to result in, or otherwise render obvious, the present invention as recited in claims 1-20. Therefore, it is submitted that claims 1-20 are clearly allowable over the prior art of record.

In view of the above amendments and remarks, it is submitted that the present application is now in condition for allowance. The Examiner is invited to contact the undersigned by telephone if it is felt that there are issues remaining which must be resolved before allowance of the application.

Respectfully submitted,

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